

COMMERCIAL RELATIONS

Exchange of notes at Bogotá April 17, 1945

Entered into force April 17, 1945

*Terminated December 1, 1949*¹

59 Stat. 1815; Executive Agreement Series 496

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF
FOREIGN AFFAIRS
Bogotá, April 17, 1945

CM. 415

MR. AMBASSADOR:

With reference to the contractual formula for preferential tariffs between contiguous or neighboring countries, contemplated in Resolution Number LXXX of the Seventh Inter-American Conference, approved December 24, 1933,² as well as in the Recommendation adopted by the Inter-American Financial and Economic Advisory Committee September 18, 1941, I have the honor to make the following statement to Your Excellency:

In Article 5 of the Treaty of Commerce between Colombia and Ecuador of July 6, 1942— which with its Additional Convention of October 14, 1943 was approved by the National Congress according to Law 103 of 1944—, the entry into Colombia is permitted, free of import duties, of certain products originating in and coming from Ecuador, as itemized in a list.

However, since Article VII of the Trade Agreement between Colombia and the United States, signed September 13, 1935, provides that each of the two countries shall grant the other unconditional and unrestricted most-favored-nation treatment in all customs matters, I very respectfully request Your Excellency to inform me whether the Government of the United States would agree not to resort to this provision for the purpose of claiming the benefit of the exclusive customs tariff preferences granted by Colombia to Ecuador.

¹ Upon termination of agreement of Sept. 13, 1935 (EAS 89, *ante*, p. 913).

² For text, see *Report of the Delegates of the United States of America to the Seventh International Conference of American States, Montevideo, Uruguay, December 3–26, 1933* (U.S. Government Printing Office, 1934), p. 275.

In formulating this inquiry, I avail myself of the opportunity to reiterate to the Government of the United States, through the high intermediary of Your Excellency, the assurance that my Government is completely in accord with the principle of unconditional most-favored-nation treatment for the multilateral development of international trade, and that it has very clearly in mind that the exception now proposed to said principle is limited to what is set forth in the aforementioned Resolution LXXX of Montevideo, as well as to the three following requirements of the Recommendation of the Inter-American Financial and Economic Advisory Committee:

“That any such tariff preferences, in order to be an instrument for sound promotion of trade, should be made effective through trade agreements embodying tariff reductions or exemptions;

“That the parties to such agreements should reserve the right to reduce or eliminate the customs duties on like imports from other countries; and

“That any such regional tariff preferences should not be permitted to stand in the way of any broad program of economic reconstruction involving the reduction of tariffs and the scaling down or elimination of tariff and other trade preferences with a view to the fullest possible development of international trade on a multilateral unconditional most-favored-nation basis.”

I beg Your Excellency to accept the assurance of my highest and most distinguished consideration.

ALBERTO LLERAS

His Excellency JOHN C. WILEY,
*Ambassador Extraordinary and
Minister Plenipotentiary of the
United States of America.
City.*

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Bogotá, April 17, 1945

No. 27

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's note no. CM-415 of April 17, 1945, in which you mention the contractual formula for tariff preferences to contiguous countries contemplated in Resolution LXXX of the Seventh Inter-American Conference, which was approved on December 24, 1933, and in the recommendation adopted by the Inter-American Financial and Economic Advisory Committee on September 18, 1941. In this connection you refer to the exclusive tariff preferences to Ecuador provided for in Article V of the Treaty of Commerce between

Colombia and that country signed on July 6, 1942 and amended on October 14, 1943.

You inquire whether the Government of the United States of America will agree, on the basis of this formula, to refrain from claiming, under the provisions of Article VII of the trade agreement between our two countries signed on September 13, 1935, the benefit of the tariff preferences to Ecuador specifically provided for in the above-mentioned treaty.

I have the honor to state that my Government, while recognizing its adherence to the formula recommended by the Inter-American Financial and Economic Advisory Committee, desires to call attention to the fact that, mindful of the fourth and fifth principles of the Atlantic Charter, it attaches great importance to the final requirement quoted in Your Excellency's note which states that regional preferences should not be permitted to stand in the way of any broad program of economic reconstruction involving the reduction of tariffs and the scaling down or elimination of tariff and other trade preferences with a view to the fullest possible development of international trade on a multilateral unconditional most-favored-nation basis.

With these considerations in view, the Government of the United States agrees not to invoke the pertinent provisions of the trade agreement between our two countries for the purpose of claiming the benefit of the tariff preferences to Ecuador provided in Article V of the Treaty of Commerce between Colombia and Ecuador.

Accept, Excellency, the renewed assurances of my highest consideration.

JOHN C. WILEY

His Excellency

ALBERTO LLERAS CAMARGO,

Minister of Foreign Affairs of Colombia.